

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re : **X**
: **Chapter 11**
SEARS HOLDINGS CORPORATION, et al.,¹ :
: **Case No. 18-23538 (RDD)**
Debtors. : **(Jointly Administered)**

**AFFIDAVIT AND DISCLOSURE STATEMENT OF JASON WHITE,
ON BEHALF OF MORGAN, LEWIS & BOCKIUS LLP**

STATE OF ILLINOIS)
) s.s.:
COUNTY OF COOK)

I, **Jason White**, being duly sworn, upon his oath, deposes and says as follows:

1. I am a Partner of Morgan, Lewis & Bockius LLP, located at 77 West Wacker Drive, Chicago, IL 60601-5094 (the "Firm").

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); [BlueLight.com](#), Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); [Kmart.com](#) LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

The Debtors also include SHC Licensed Business LLC (3718), filed as Case No. 18-23616 and SHC Promotions LLC (9626), filed as Case No. 18-23630 (the "Additional Debtors"). The Additional Debtors each filed a motion in their respective chapter 11 cases requesting joint administration with the Debtors for procedural purposes only pursuant to Rule 1015(b) of the Bankruptcy Rules."

2. Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), have requested that the Firm provide legal services to the Debtors, and the Firm has consented to provide such services (the “Services”).

3. The Services include, but are not limited to, the following: legal services and advice relating to (i) tax & employee benefits, (ii) labor & employment, (iii) intellectual property, (iv) litigation & retail, and (v) regulatory advice.

4. The Firm currently represents several entities that are parties in interest in these chapter 11 cases on matters that are unrelated to the services that the Firm has provided and continues to provide to the Debtors. In each instance, the Firm has (i) advised the Debtors of the representation, and (ii) advised the party in interest of Morgan Lewis’s ongoing relationship with the Debtors. In each instance, all parties have consented to the representation and waived any perceived conflict in connection therewith. The Firm thus believes that its representation of these parties in interest is not adverse to the Debtors or their estates with respect to the matters on which the Firm is to be employed.

5. The Firm also may have performed services in the past and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are parties in interest in the Debtors’ chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be claimants or employees of the Debtors, or other parties in interest in these chapter 11 cases.

6. The Firm does not have any relationship with any such person, such person’s attorneys, or such person’s accountants that would be adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained.

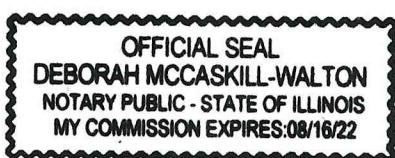
7. Neither I, nor any principal of, or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than principals and regular employees of the Firm.

8. Neither I nor any principal of, or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest materially adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained.

9. As of the commencement of this chapter 11 case, the Debtors owed the Firm \$409,377.53 in respect of prepetition services rendered to the Debtors.

The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of this inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Affidavit.

Pursuant to 28 U.S.C. §1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge, information and belief, and that this Affidavit and Disclosure Statement was executed on December 14, 2018, at Chicago, Illinois.



Jason White

SWORN TO AND SUBSCRIBED before
Me this 14th day of December, 2018



Notary Public

**BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re :
SEARS HOLDINGS CORPORATION, et al.² : Chapter 11
Debtors. : Case No. 18-23538 (RDD)
: (Jointly Administered)

RETENTION QUESTIONNAIRE

TO BE COMPLETED BY PROFESSIONALS EMPLOYED by Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”).

All questions must be answered. Please use "none," "not applicable," or "N/A," as appropriate. If more space is needed, please complete on a separate page and attach.

1. Name and address of professional: Morgan, Lewis & Bockius LLP (the "Firm")
2. Date of retention: Various dates since 2008
3. Type of services to be provided: Legal Services

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4. Brief description of services to be provided: The Firm has previously provided, and seeks to continue to provide, legal services to the Debtors in the areas of tax & employee benefits, labor & employment, intellectual property, litigation & retail, and regulatory advice.

5. Arrangements for compensation (hourly, contingent, etc.):

a. Average hourly rate (if applicable):

- Tax & Employee Benefits matters: \$662.30
- Labor & Employment matters: \$396.91 (\$435 attorney blended hourly rate)
- Intellectual Property matters (two separate matter groups): (i) \$448.33 (hourly rate); and \$424.56 (2017 Standard Rates less volume-based discount at time of billing)
- Litigation & Retail matters: \$517.40 (mix: \$430 attorney blended hourly rate/hourly rate; 2016 Standard less 10%)
- Regulatory Advice matters: \$671.23 (2017 Standard Rates less volume-based discount at time of billing)

b. Estimated average monthly compensation based on prepetition retention (if company was employed prepetition):

- Tax & Employee Benefits matters: \$5,550.76
- Labor & Employment matters: \$113,455.82
- Intellectual Property matters (two separate matter groups): \$24,423.23 and \$42,844.38, respectively
- Litigation & Retail matters: \$43,374.73

- Regulatory Advice matters: \$2,181.49

6. Prepetition claims against the Debtors held by the Firm:

Amount of claim: \$409,377.53

Date claim arose: March 2, 2016 through October 14, 2018

Nature of claim: Legal Services

7. Prepetition claims against the Debtors held individually by any member, associate, or employee of the company: None.

8. Name and title of individual completing this form:

Elaine V. Fenna, Associate, Morgan, Lewis & Bockius LLP

Dated: December 12, 2018